FARRELLFRITZ
ATTORNEYS



Michelle E. Espey

Partner

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Michelle E. Espey advises individuals, partnerships, businesses and not-for-profit corporations with respect to the application and interpretation of tax policies and laws. Her cases often involve novel, complex problems for which she provides strategic planning and analysis. Clients and colleagues frequently seek Michelle's counsel with respect to the tax consequences of various transactions and the related tax reporting and compliance obligations.

Michelle is a versatile lawyer who is also known for skillful tax dispute resolution and client advocacy before national and local offices of the Internal Revenue Service, New York State Department of Taxation and Finance, New York City Department of Finance, and United States Tax Court. She has extensive experience representing clients at every stage of disputes, in high-dollar audit, examination and non-compliance cases, as well as complicated and aggressive tax collection matters involving lien, warrant, and levy filings and actions.

Within her practice, Michelle handles New York State residency and other state tax issues. She supports clients in need of federal private letter rulings (PLRs) from the IRS to address particular tax situations. Michelle regularly assists non-filers in becoming compliant via use of federal and state domestic voluntary disclosure programs. Additionally, she helps clients navigate the IRS's Streamlined Compliance Procedures, Delinquent FBAR Submission Procedures, and Delinquent International Information Return Submission Procedures. Individual U.S. taxpayers residing stateside and abroad seek Michelle's help to achieve compliance with U.S. tax and information reporting obligations regarding foreign financial assets.

Not-for-profits consult with Michelle when they need assistance navigating tax issues related to entity creation, dissolution, and mergers, as well as operational, employment, compliance, and maintaining tax-exempt status

PRACTICE AREAS

Tax

Corporate

Not-for-Profit

Private Client

Trusts & Estates

EDUCATION

Quinnipiac University School of Law, J.D.

College of the Holy Cross

AFFILIATIONS AND APPOINTMENTS

The New York Bar Foundation, Fellow

Tax Law Committee, Suffolk County Bar Association, Former Chair

Tax Law Committee, Nassau County Bar Association, Former Co-Chair

Nassau County Bar Association, Member

American Bar Association, Tax Section, Member

New York State Bar Association, Member

American Bar Association, Business Law Today, Former Contributing Editor of Tax Law

ADMISSIONS

Bar Admissions

New York

New Jersey

Court Admissions

United States Tax Court

for their mission-driven causes.

A former collegiate athlete and team captain, Michelle is a disciplined, resilient and resourceful attorney. She is a purposeful and determined advocate for clients, and routinely supports her colleagues and team members as a leader at the firm and in the community.

Experience

- Represented individual taxpayers in connection with over $2M outstanding liability due to the IRS at collections, which included dealing with collections agents and Appeals Officer, and preparing and submitting a federal Offer in Compromise to the IRS for purposes of settling the debt.
- Represented non-US resident in connection with a New York State Offer in Compromise to resolve outstanding responsible person liabilities due to prior New York based company's non-payment of sales and use tax.
- Represented not-for-profit foundation in a merger, which required dealing with New York State's Attorney General's office and filing necessary petitions and other filings.
- Represented client in connection with a withdrawal from a partnership and the tax treatment of related withdrawal payments.
- Serves as outside general counsel to a financial institution, advising on tax issues as they relate to corporate, real estate, bankruptcy, estate administration, and other need-based legal matters.
- Drafts and submits IRS Private Letter Ruling (PLR) Requests in connection with specific, and often unique, tax scenarios, such as remedying late IRC Section 754 elections and inadvertent termination of S-status.
- Represents domestic taxpayers (individuals and businesses) in connection with the voluntary disclosure of unreported income and other noncompliance matters.
- Represents taxpayers with residency planning (involving domicile changes from New York to other jurisdictions) and audit representation.
- Represents estates and executors before the IRS and New York State Department of Taxation and Finance during estate tax examinations, with a focus on audit strategy and complicated issues of fact and/or law such as IRC Section 6166 matters, IRC Section 2023 inclusion issues, and gifting.
- Handles federal and state audits, appeals and administrative protests, collection due process and equivalent hearing requests, and requests for penalty abatement.

- Counsels employers to plan for tax consequences surrounding worker classification issues surrounding the status of employees and independent contractors.
- Reviews proposed stock transfers with an eye towards preservation of S status.
- Represents officers, owners, and other responsible persons related to trust fund liability assessments (i.e. sales and use tax and withholding tax).

Community Work

- Island Harvest, Taste of the Harvest Committee Chair, 2025 & 2026
- The American Bar Association Section of Taxation, Military VITA Project, contributor

Recognition

- Best Lawyers in America, Tax Law
- City & State New York, 2026 Trailblazers in Law
- Long Island Business News, Who's Who in Women in Professional Services
- Long Island Business News, Top 50 Women in Business, 2021, 2024